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upper([Original Research])

Eradication of Banking Malpractices and Frauds in Nigeria

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[Abstract]

The study appraised the eradication of banking malpractices and frauds in Nigeria. The specific objectives of the study were to: examine the effect of total number of fraud cases on profit for the year of commercial banks in Nigeria and ascertain the impact of total amount involved in the fraud cases on profit for the year of commercial banks in Nigeria. The methodology adopted for the study was ex post facto design. The population of the study consisted of al the 19 quoted commercial banks in Nigeria while the entire population was sampled. The analytical technique adopted for the study was random effect panel regression model. The study found out that the total number of fraud cases has significant effect on profit for the year of commercial banks in Nigeria and the total amount involved in the fraud cases has significant impact on profit for the year of commercial banks in Nigeria. It was recommended that banks should introduce more stringent measures in their staff recruitment exercise to reduce engagement of unscrupulous staff with high tendency of insider collusion and fraud that tend to reduce bank profits and also introduce more internal control measures to contain risks associated with increasing volume of deposits.

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